

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W. R. GRACE & CO., et al.) Case No. 01-01139 (JKF)
) (Jointly Administered)
Debtors.)
Objection Deadline: March 13, 2009 at 4:00 p.m.
Hearing Date: April 1, 2009, at 10:30 a.m.

**MOTION OF DEBTORS FOR ENTRY OF AN ORDER AUTHORIZING
THE SETTLEMENT OF ASBESTOS PROPERTY DAMAGE CLAIMS
FILED BY MACERICH FRESNO LIMITED PARTNERSHIP**

1. The Debtors have negotiated a Settlement Agreement with Claimant, Macerich Fresno Limited Partnership, which will settle Claimant's asbestos property damage claims on terms and conditions set forth in the Settlement Agreement. A copy of the Settlement Agreement is attached as Exhibit A.

2. Debtors and Claimant negotiated in good faith to reach the Settlement Agreement and submit that it is in the best interest of the estate for the Court to approve the Settlement Agreement in an order substantially in the form of Exhibit B hereto.

3. For the reasons stated and pursuant to the authority cited in Debtors' prior Motions for Entry of An Order Authorizing the Settlement of an Asbestos Property Damage Claim,¹ which motions are incorporated by reference, Debtors request that the Court approve the Settlement Agreement as in the best interests of the estate.

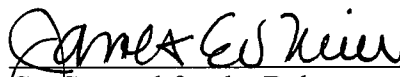
¹ Samples of Debtors' prior Motions for Entry of An Order Authorizing the Settlement of an Asbestos Property Damage Claim that have been filed with the Court are located at Docket Nos. 16270 and 17116.

Dated: February 17, 2009

REED SMITH LLP
James J. Restivo, Jr. (Bar No. 10113)
Lawrence E. Flatley (Bar No. 21871)
Douglas E. Cameron (Bar No. 41644)
Traci S. Rea (Bar No. 76258)
435 Sixth Avenue
Pittsburgh, PA 15219
Telephone: (412) 288-3131
Facsimile: (412) 288-3063

KIRKLAND & ELLIS LLP
David M. Bernick, P.C.
Lisa Esayian
200 East Randolph Drive
Chicago, IL 60601
(312) 861-2000

PACHULSKI STANG ZIEHL & JONES
LLP
Laura Davis Jones (Bar No. 2436)
James E. O'Neill (Bar No. 4042)
Kathleen P. Makowski (Bar No. 3648)
Timothy P. Cairns (Bar No. 4228)
919 North Market Street, 17th Floor
P.O. Box 8705
Wilmington, DE 19899-8705
(Courier 19801)
Telephone: (302) 652-4100
Facsimile: (302) 652-4400

By: 
Co-Counsel for the Debtors and
Debtors in Possession